

## SONOS

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Locations: California (HQ) Industries: Consumer Durables and Apparel, Retailing, Technology Hardware and Equipment



#### **DESCRIPTION:**

SONOS scored a 100 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. By complying with the HRC's controversial demands, SONOS increases the risk of dividing employees, alienating customers and harming shareholders. The company covers transgender-related medical costs for its employees and their children and provides specific sexual orientation and gender identity-based benefits. It also uses sex and gender ideology criteria in employee recruitment, vendor selection, marketing, and philanthropic support. SONOS forces employees to undergo multiple ideological trainings and uses its reputation. SONOS does not provide viewpoint protections for employees. SONOS has integrated ESG practices into its business, including climate pledges. SONOS has engaged in LGBTQ-related advocacy and donated to organizations such as the ACLU. However, SONOS has not discriminated against religious organizations in its charitable giving or terminated business relationships due to views or beliefs. For these reasons, SONOS receives a High Risk rating.

### **Corporate Weaponization**

Has denied service to customers, suppliers, or vendors due to their political views or religious Medium Risk beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries.

SONOS received a score of 100 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. The company recruits employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (1)(2)

Charitable giving (including employee matching programs) policies or practices discriminate High Risk against charitable organizations based on views or religious beliefs.

SONOS's HRC CEI rating indicates the company will not donate to non-religious charities unless they embrace controversial sexual identity policies (<u>1</u>)(<u>2</u>). SONOS's charitable giving is restricted to a limited number of foundations, and there is not a written policy discriminating against religious organizations (<u>3</u>).

Employment policies fail to protect against discrimination based on political affiliation/views High Risk and/or religion.

SONOS's HRC 2023 CEI rating indicates the company forces employees to attend multiple, controversial trainings on gender identity, sexual orientation, transgender issues, and divisive racial ideology. The company provides gender transition guidelines for its employees and a specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2).



### **Corporate Governance and Public Policy**

# Uses corporate reputation to support ideological causes and/or organizations hostile to freedom High Risk of expression.

SONOS's HRC 2023 CEI rating indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (<u>1</u>)(<u>2</u>). By doing so, the company risks dividing employees, alienating customers and harming shareholders. SONOS has implemented a variety of ESG practices, including required DEI training for employees and supervisors and a 2030 carbon neutrality pledge (<u>3</u>)(<u>4</u>). SONOS rearranged its flagship location in New York City into a chapel to officiate same-sex weddings as a part of a Pride Month event in 2022 (<u>5</u>).

## Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom High Risk of expression.

SONOS's HRC 2023 CEI rating indicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology (1)(2). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders. SONOS has donated to the ACLU and Equality Texas, which engages in state-level LGBTQ+ legislation advocacy (3).

#### Uses corporate political contributions for ideological, non-business purposes.

High Risk

SONOS's HRC 2023 CEI rating indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives (<u>1</u>)(<u>2</u>). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. SONOS has not used its PAC donations for ideological purposes and has not reported on its lobbying (<u>3</u>)(<u>4</u>).

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